

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of	)	CA 01-12
	)	
GEOLABS, INC. GEO SERVICES, INC.,	)	
CLAYTON MIMURA, CAROLYN K.N.	)	
WONG, YIU WING WONG, TEDDY S.T.	)	
KWOK, ROBIN M. LIM, and FRANCIS	)	
H.K. MEYER,	)	
	)	
Respondents.	)	
_____	)	

CONCILIATION AGREEMENT

On or around July 2001, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents C.W. Associates, Inc. Geolabs, Inc., Geo Services, Inc. (hereinafter "Geolabs" unless indicated otherwise) and its officers as follows:

Geolabs, Inc.	Clayton S. Mimura	President/Treasurer
	Teddy S.T. Kwok	Vice President
	Robin M. Lim	Vice President
	Yiu Wing Wong	Secretary
	Carolyn K.N. Wong	Director
	Francis H.K. Meyer	Director
Geo Services Inc.	Clayton S. Mimura	President/Treasurer
	Yiu Wing Wong	Secretary

Geolabs, Inc. and Geo Services, Inc., list their business address as 2006 Kalihi Street, Honolulu, Hawaii. Geolabs Hawaii is a dba for C.W. Associates of the same address. Geolabs list its primary purpose as soil and foundation engineering with the business registration division of the Department of Commerce and Consumer Affairs. The investigation was initiated pursuant to the express authority of section 11-193, Hawaii

Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Geolabs and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.
- III. That Respondents had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
  1. On or around July 2001, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, initiated an investigation of Geolabs involving excess contributions in violation of section 11-204(a)(3), HRS.
  2. The investigation covered the period of January 1, 1996 through June 30, 2001.

3. Geolabs is registered with the Commission as a Noncandidate Committee.
4. Section 11-204(a)(3), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
5. Section 11-204(g), HRS reads in part as follows: A contribution made by two or more corporations shall be treated as one person when such corporations: (1) Share the majority of members of their boards of directors; (2) Share two or more corporate officers; (3) Are owned or controlled by the same majority shareholder or shareholders; or (4) Are in a parent-subsidary relationship.
6. Section 11-204(h), HRS reads in part as follows: an individual and any corporation in which the individual owns a controlling interest shall be treated as one person.
7. Section 11-202, HRS reads in part as follows: No person shall make a contribution of the person's own money or property, or money or property of another person to any candidate, party, or committee in connection with a nomination for election, or election in any name other than the true name of the person who owns the money or who supplied the money or property.

8. The election period for Jeremy Harris and the Harris 2000 campaign committee for Mayor of Honolulu include the period from November 6, 1996 to November 7, 2000.
9. On or about September 1, 1997, T. Nalani Meyer, spouse of Francis Meyer made a contribution to Harris in the amount of \$2,000 for which she received a reimbursement from Geolabs.
10. On or about October 27, 1999, Teddy Kwok made a contribution to Harris in the amount of \$2,000 for which he received a reimbursement from Geolabs.
11. On or about November 1, 1999, Francis Meyer made contribution to Harris in the amount of \$4,000 for which he received a reimbursement of \$2,800 from Geolabs.
12. On or about September 6, 2000, Allison San Nicolas, an employee of Geolabs made four contributions of \$1,000 each to Harris for which she received a reimbursement of \$4,000 from Geolabs. The Harris committee attributed one contribution of \$1,000 to another person.
13. On or about March 24, 2000, Gerald Seki, an employee of Geolabs made a contribution to Harris in the amount of \$4,000 for which he received a reimbursement from Geolabs.
14. On or about April 29, 1999, Geolabs, Inc. made a contribution to Harris in the amount of \$3,000.

15. On or about April 29, 1999, Geo Services, Inc. made a contribution to Harris in the amount of \$4,000.
16. On or about April 3, 1998, Carolyn K.Y. Wong made a contribution to Harris in the amount of \$2,000.
17. On or about August 1, 2000, Carolyn K.Y. Wong made a contribution to Harris in the amount of \$4,000 of which \$2,000 was attributed to another person.
18. On or about April 4, 1998, Clayton S. Mimura made a contribution to Harris in the amount of \$2,000.
19. On or about June 1999, Clayton S. Mimura made two contributions of \$100 each to Harris.
20. On or about October 26, 1999 Clayton S. Mimura made a contribution to Harris in the amount of \$1,000.
21. On or about October 26, 1999, Aileen K. Mimura on behalf of Clayton S. Mimura made a contribution to Harris in the amount of \$2,000, which was attributed to another person.
22. On or about March 3, 2000, Clayton S. Mimura made a contribution to Harris in the amount of \$1,000, which was attributed to another person.
23. On or about April 1, 1999, Robin Lim made two contributions one for \$2,000 and the other for \$1,000 for a total of \$3,000 to Harris.
24. On or about October 29, 1999, Robin Lim made a contribution to Harris in the amount of \$1,000.

25. On or about August 7, 1997, Yiu Wing Wong (also known as Wayne Wong) made a contribution to Harris in the amount of \$2,000.
26. On or about November 26, 1996, Yiu Wing Wong made a contribution to Harris in the amount of \$2,000
27. On or about June 5, 1999 and June 30, 1999, Yiu Wing Wong made a contribution of \$1,000 each to Harris for a total of \$2,000.
28. On or about October 27, 1999, Winnie W.Y. Wong on behalf of Yiu Wing Wong made a contribution to Harris in the amount of \$2,000, which was attributed to another person.
29. On or about September 1998, Francis Meyer made a contribution to Harris in the amount of \$500.
30. On or about December 1999, Francis Meyer made a contribution to Harris in the amount of \$500.
31. The election period for Governor Ben Cayetano and the Friends of Ben Committee ("Cayetano") for the 1998 election includes the period from January 1, 1995 to November 6, 1998.
32. On or about December 5, 1997, Vanxay Bounlangsy made a contribution to Cayetano in the amount of \$6,000 for which he received a reimbursement from Geolabs.
33. On or about April 1, 1997 to June 25, 1997, Clayton S. Mimura made six contributions to Cayetano amounting to \$6,000.

(Specific amounts were \$3,000, \$500, \$500, \$500, \$1,000 and \$500)

34. On or about April 23, 1997, Robin Lim made a contribution to Cayetano in the amount of \$2,000
35. On or about December 8, 1997, Robin Lim made a contribution to Cayetano in the amount \$1,000.
36. On or about April 23, 1997, Teddy Kwok made a contribution to a contribution to Cayetano in the amount of \$4,000.
37. On or about December 8, 1997 Teddy Kwok made a contribution to Cayetano in the amount of \$1,000.
38. On or about December 1997, Yiu Wing Wong made a contribution to Cayetano in the amount of \$1,000.
39. On or about June to November 1998, Yiu Wing Wong made three contributions amounting to \$1,000 (\$250, \$125 and \$625) to Cayetano.
40. On or about April 21, 1997, Yiu Wing Wong made a contribution of \$3,000 to Cayetano, of which \$1,500 was attributed to his wife Winnie.
41. On or about December 9, 1997, Francis Meyer made a contribution to Cayetano in the amount of \$3,000.
42. On or about August 10, 1998, Francis Meyer made a contribution to Cayetano in the amount of \$3,000.

43. On or about May 1997, Bob Wong (now deceased) made a contribution to Cayetano in the amount of \$2,000
44. On or about August 7, 1998, Dayton E. Fraim made a contribution to Cayetano in the amount of \$1,000 for which Geolabs reimbursed him.
45. On or about August 7, 1998, Joseph Sun, an employee of Geolabs made a contribution to Cayetano in the amount of \$6,000 for which he received a reimbursement from Geolabs.
46. The election period for Lieutenant Governor Mazie Hirono and the Friends of Mazie Hirono ("Hirono") for the 1998 election includes the period from January 1, 1995 to November 6, 1998.
47. On or about September 22, 1998, Geo Services, Inc. made a contribution to Hirono in the amount of \$6,000.
48. On or about July 3, 2001, Geolabs, Inc. made a contribution to Hirono in the amount of \$1,000.
49. On or about September 30, 1998, Teddy Kwok made a contribution to Hirono in the amount of \$2,000 for which he received a reimbursement from Geolabs.
50. On or about October 9, 1998, Oi Ying Chan made a contribution to Hirono in the amount of \$1,000 for which she received a reimbursement from Geolabs.
51. On or about October 9, 1998, Clayton S. Mimura made a contribution to Hirono in the amount of \$2,000.



52. On or about October 21, 1998, Robin Lim made a contribution to Hirono in the amount of \$1,000.
53. On or about September 30, 1998, Yiu Wing Wong made a contribution to Hirono in the amount of \$1,000.
54. On or about October 13, 1998, Yiu Wing Wong made a contribution to Hirono in the amount of \$2,000.
55. The election period for Mayor James "Kimo" Apana and the Friends of James "Kimo" Apana ("Apana") for the 2002 election includes the period from November 6, 1998 to November 5, 2002.
56. On or about June 21, 2001, Clayton S. Mimura made a contribution to Apana in the amount of \$4,000.
57. On or about June 21, 2001, Robin Lim made a contribution to Apana in the amount of \$4,000.
58. On or about June 21, 2001, Teddy Kwok made a contribution to Apana in the amount of \$1,000.
59. On or about June 21, 2001, Yiu Wing Wong made a contribution to Apana in the amount of \$1,000.
60. On or about June 21, 2001, Allison San Nicolas made a contribution to Apana in the amount of \$1,000.
61. The election period for Fred Holschuh and the Friends of Fred Holschuh ("Holschuh") for the 2000 election includes the period from November 5, 1996 to November 7, 2000.

62. On or about October 27, 2000, Geo Services, Inc. made a contribution to Holschuh in the amount of \$4,000, an excess contribution of \$3,000.
63. The election period for Arnold Morgado and the Friends of Arnold Morgado ("Morgado") for the 1996 election includes the period from November 4, 1992 to November 5, 1996.
64. On or about October 12, 1996, Clayton S. Mimura, Teddy Kwok and Yiu Wing Wong each made a contribution of \$1,000 to Morgado, for a total of \$3,000.
65. On or about March 18, 1996, Yiu Wing Wong made a contribution to Morgado in the amount of \$2,000.
66. The aforementioned contributions to Harris, Cayetano, Hirono, Apana, Holschuh and Morgado were in violation of section 11-204(a)(2) and (3), HRS.
67. Geolabs made contributions through Geolabs, Inc. and Geo Services, Inc. in violation of section 11-204(g), HRS.
68. Geolabs voluntarily with full knowledge cooperated with the investigation and requested an opportunity to settle claims for violations of the campaign spending statute under HRS, Chapter 11, Part XII, Subpart B.
69. Geolabs failed to file complete and accurate preliminary, final and supplemental reports pursuant to sections 11-212 and 11-213, HRS for all periods from January 1, 1996 through June 30, 2001.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement

#01-12, Geolabs understands and agrees to the following:

(A) Geolabs agrees to an assessment of **Sixty four thousand dollars** (\$64,000) pursuant to section 11-228, HRS.

- (1) For violation of section 11-204(a)(3), HRS, making excess campaign contributions to the Harris 2000 campaign committee totaling \$48,200;
- (2) For violation of section 11-204(a)(2), HRS, making excess campaign contributions to the 1998 Cayetano campaign committee totaling \$41,500;
- (3) For violation of section 11-204(a)(2), HRS, making excess campaign contributions to the 1998 Hirono campaign committee totaling \$16,000;
- (4) For violation of section 11-204(a)(3), HRS, making excess campaign contributions to the 2002 Apana campaign committee totaling \$11,000;
- (5) For violation of section 11-204(a)(3), HRS, making excess campaign contributions to the 1998 Holschuh campaign committee totaling \$3,000; and
- (6) For violation of section 11-204(a)(3), HRS, making excess campaign contributions to the 1996 Morgado campaign committee totaling \$5,000.

B. Pursuant to section 11-228(a), HRS each occurrence shall provide for an assessment of an administrative fine of \$1,000, except in the occurrences where there is a direct reimbursement and a false name contribution in violation of section 11-202, HRS, each occurrence shall provide for an administrative fine of \$2,000.

- (1) For the Harris campaign the excess contribution assessment shall be \$28,000, of which \$10,000 has been assessed for reimbursed contributions on five occasions;
- (2) For the Cayetano campaign the excess contribution assessment shall be \$17,000, of which \$6,000 has been assessed for reimbursed contributions on three occasions;
- (3) For the Hirono campaign the excess contribution assessment shall be \$10,000, of which \$4,000 has been assessed for reimbursed contributions on two occasions;
- (4) For the Apana campaign the excess contribution assessment shall be \$5,000;
- (5) For the Holschuh campaign the excess contribution assessment shall be \$1,000;

- (6) For the Morgado campaign the excess contribution assessment shall be \$1,000;
- (7) For failure to file proper reports pursuant to sections 11-212 and 11-213, HRS, the assessment shall be \$1,000; and
- (8) For violation of section 11-204(g), HRS, making contributions through two or more related organizations the assessment shall be \$1,000.

C. Furthermore, Geolabs, its officers and spouses of officers agree to a bar on any political contributions to any candidate for state or local office in Hawaii for a period of four years from the date that this Agreement is accepted by the Campaign Spending Commission.

D. Terms of payment of the assessed fines shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.

- X. This Agreement constitutes the entire agreement between the Commission and Geolabs on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

**FOR THE COMMISSION:**

Robert Y. Watada, Executive Director

By: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR THE RESPONDENTS:**

Clayton S. Mimura  
President

By: \_\_\_\_\_

Date: \_\_\_\_\_

(Name)  
(Title)